



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 10, 2009

IN REPLY PLEASE
REFER TO FILE:

MP-6

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ASSIGNMENTS AND ASSUMPTION OF LEASE NOS. 44475 AND 29573
BETWEEN THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT AND
PLAINS EXPLORATION & PRODUCTION COMPANY
TO VINTAGE PRODUCTION CALIFORNIA LLC
EAST CANYON CHANNEL - PARCELS 6, ET AL.
PACOIMA DIVERSION - PARCELS 27, ET AL.
PACOIMA WASH - PARCELS 35, ET AL., AND PARCELS 43, ET AL.
IN THE CITY OF LOS ANGELES
(SUPERVISORIAL DISTRICT 3)
(3 VOTES)**

SUBJECT

This action is to approve the assignment of Subsurface Oil and Gas Lease Nos. 44475 and 29573, along portions of East Canyon Channel, Pacoima Diversion, and Pacoima Wash, from Plains Exploration & Production Company to Vintage Production California LLC, in the City of Los Angeles.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF
THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:**

1. Approve the Assignments and Assumption of Subsurface Oil and Gas Lease Nos. 44475 and 29573 from Plains Exploration & Production Company to Vintage Production California LLC.

2. Instruct the Chairman to sign the Assignments and Assumption of Lease Nos. 44475 and 29573 and authorize delivery to the Vintage Production California LLC.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to obtain your Board's approval of the assignment of Subsurface Oil and Gas Lease Nos. 44475 and 29573 (Leases) to Vintage Production California LLC (Vintage), who acquired all rights, title, and interest in the Leases from Plains Exploration & Production Company (PXP).

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Fiscal Responsibility (Goal 4). The revenue from the Leases will continue to be used for flood control purposes and the property will enhance future revenues through assessment and taxation.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

Vintage paid \$5,000 for the Assignments and Assumption of Leases (Assignments). Rent from the Leases is received in the form of royalties. Monies continue to be received and will be deposited in the Flood Control District Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Lease No. 44475 is located along East Canyon Channel and Lease No. 29573 is located along Pacoima Wash and Pacoima Diversion, in the City of Los Angeles, as shown on the attached map.

The purpose of the Leases is to allow for drilling to produce, extract, and remove oil, gas, and other hydrocarbons from the Los Angeles County Flood Control District (LACFCD) right of way. The Assignments provide for the assignment and conveyance of all of PXP rights, title, and interest in Lease Nos. 44475 and 29573 to Vintage. The Leases cannot be assigned without the written consent of the Board of Supervisors.

County Counsel has reviewed and approved both Assignments as to form.

The Honorable Board of Supervisors
March 10, 2009
Page 3

ENVIRONMENTAL DOCUMENTATION

The proposed Assignments are not projects pursuant to the California Environmental Quality Act (CEQA) because they are an activity that is excluded from the definition of a project by Section 15378(b)(5) of the CEQA Guidelines. The proposed action is an administrative activity of government, which will not result in direct or indirect physical changes to the environment.

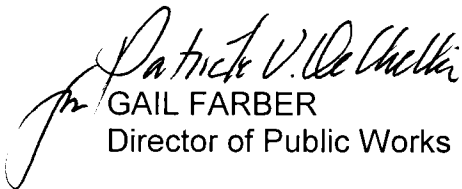
IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action allows for joint use of LACFCD's right of way without interfering with the primary mission of the LACFCD.

CONCLUSION

Please return one adopted copy of this letter and the executed originals of each Assignment to the Department of Public Works, Mapping & Property Management Division.

Respectfully submitted,



GAIL FARBER
Director of Public Works

GF:PAP:hp

Attachments (3)

c: Auditor-Controller (Accounting Division - Asset Management)
Chief Executive Office (Lari Sheehan)
County Counsel

RECORDING REQUESTED BY
REQUESTED BY AND
WHEN RECORDED MAIL TO

NAME Vintage Production California LLC
Attn: Land Department
MAILING ADDRESS 9600 Ming Ave., Suite 300
CITY, STATE ZIP CODE Bakersfield, CA 93311

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

The Undersigned Declares:
Documentary Transfer Tax Is None
Documentary Transfer Tax Is Computed On The Full Value of the Property Conveyed:
Ordinary Leases and assignments of leases of
real property for a definite term of years

ASSIGNMENT AND ASSUMPTION OF LEASE

QLS 15748300

This Assignment and Assumption of Lease ("Assignment"), dated as of _____, 2008, by and between PLAINS EXPLORATION & PRODUCTION COMPANY, a Delaware corporation ("Assignor"), and VINTAGE PRODUCTION CALIFORNIA LLC, a Delaware corporation ("Assignee").

WHEREAS, Chevron U.S.A. Inc. entered into Lease Agreement No. 44475 ("Lease") dated May 17, 1983, and recorded June 28, 1983, as Document No. 83-727564, of Official Records, in the office of the Recorder of the County of Los Angeles, for exploration of oil, gas, and other hydrocarbon substances with the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic ("Lessor"), affecting the property, as described therein, in The City of Los Angeles, County of Los Angeles, State of California; and

WHEREAS, by Assignment and Assumption of Lease dated September 1, 1989, recorded March 8, 2007 as Document No. 20070512585, of Official Records, in the office of the Recorder of the County of Los Angeles, Chevron U.S.A. Inc. assigned all of its right, title, and interest in and to said Lease to Assignor; and

WHEREAS, Assignor desires to assign to Assignee, and Assignee desires to assume all of Assignor's rights and obligations under the Lease with the consent of Lessor.

NOW THEREFORE, Assignor and Assignee agree as follows:

1. Assignment For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns all of its right, title, and interest in and to the Lease.
2. Assumption Assignee hereby accepts this Assignment and hereby assumes and agrees to be bound by all of Assignor's obligations under the Lease. Assignee shall perform all the terms, covenants, and conditions of the Lease, including the payment of rent and other required amounts to Lessor after the Effective Date (hereafter defined) hereof.
3. Effective Date The Effective Date of this Assignment shall be the date that this Assignment is executed by Lessor.

File with: East Canyon Channel 6
Affects Parcels 63, 64, 65, 66, 67, and 71
Also Affects Pacoima Wash Parcels 43, 44, 46, 156 and 164
M9822015

CONSENT OF LESSOR

Lessor hereby consents to and approves this Assignment and, pursuant to Article 23 of the Lease, hereby releases Assignor from all obligations and liabilities arising under the Lease after the Effective Date herein set forth.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment and Assumption of Lease as of _____, 2008.

"ASSIGNOR"

PLAINS EXPLORATION & PRODUCTION
COMPANY, a Delaware corporation

By James R. Runsey
Its _____

(Corporate Seal)

"ASSIGNEE"

VINTAGE PRODUCTION CALIFORNIA LLC,
a Delaware corporation

By Roele
Its Attorney-in-Fact

(Corporate Seal)

STATE OF

Texas

) SS

COUNTY OF

Harris

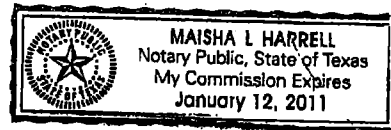
On Oct. 8, 2008 before me, Maisha L. Harrell, Notary Public, personally appeared Jason B. Burrey, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Maisha L. Harrell (Seal)



STATE OF

California

) SS

COUNTY OF

Kern

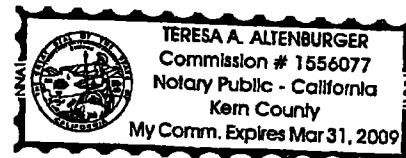
On October 15, 2008 before me, Teresa A. Altenburger, Notary Public, personally appeared Russell P. Ledbetter, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Teresa A. Altenburger (Seal)



"LESSOR"

**LOS ANGELES COUNTY FLOOD CONTROL
DISTRICT, a body corporate and politic**

By _____

**Chairman, Board of Supervisors
of the County of Los Angeles**

(LACFCD-SEAL)

ATTEST:

**SACHI A. HAMAI, Executive Officer
of the Board of Supervisors
of the County of Los Angeles**

By _____
Deputy

APPROVED AS TO FORM

**RAYMOND G. FORTNER, JR.,
County Counsel**

By  _____
Deputy

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code that authorized the use of facsimile signatures of the Chairman of the Board on all papers, documents, or instruments requiring the Chair's signature.

The undersigned hereby certifies that on this _____ day of _____, 20____, the facsimile signature of _____, Chair of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, was affixed hereto as the official execution of this document. The undersigned further certifies that on this date a copy of the document was delivered to the Chairman of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.

**SACHI A. HAMAI, Executive Officer
of the Board of Supervisors
of the County of Los Angeles**

By _____ Deputy

(LACFCD-SEAL)

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.,
County Counsel

By [Signature]
Deputy

RECORD/ REQUESTED BY
REQUESTED BY AND
WHEN RECORDED MAIL TO

NAME Vintage Production California LLC
Attn: Land Department
MAILING ADDRESS 9600 Ming Ave., Suite 300
CITY, STATE ZIP CODE Bakersfield, CA 93311

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

The Undersigned Declares:
Documentary Transfer Tax Is None
Documentary Transfer Tax Is Computed On The Full Value of the Property Conveyed:
Ordinary Leases and assignments of leases of
real property for a definite term of years

ASSIGNMENT AND ASSUMPTION OF LEASE

QLS 15748401

This Assignment and Assumption of Lease ("Assignment"), dated as of _____, 2008, by and between PLAINS EXPLORATION & PRODUCTION COMPANY, a Delaware corporation ("Assignor"), and VINTAGE PRODUCTION CALIFORNIA LLC, a Delaware corporation ("Assignee").

WHEREAS, Chevron U.S.A. Inc. entered into Lease Agreement No. 29573 ("Lease") dated March 3, 1977, and recorded May 6, 1977, as Document No. 77-474347, of Official Records, in the office of the Recorder of the County of Los Angeles, for exploration of oil, gas, and other hydrocarbon substances with the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic ("Lessor"), affecting the property, as described therein, in The City of Los Angeles, County of Los Angeles, State of California; and

WHEREAS, by Assignment and Assumption of Lease dated September 1, 1989, recorded March 8, 2007 as Document No. 20070512586, of Official Records, in the office of the Recorder of the County of Los Angeles, Chevron U.S.A. Inc. assigned all of its right, title, and interest in and to said Lease to Assignor; and

WHEREAS, Assignor desires to assign to Assignee, and Assignee desires to assume all of Assignor's rights and obligations under the Lease with the consent of Lessor.

NOW THEREFORE, Assignor and Assignee agree as follows:

1. Assignment For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns all of its right, title, and interest in and to the Lease.
2. Assumption Assignee hereby accepts this Assignment and hereby assumes and agrees to be bound by all of Assignor's obligations under the Lease. Assignee shall perform all the terms, covenants, and conditions of the Lease, including the payment of rent and other required amounts to Lessor after the Effective Date (hereafter defined) hereof.
3. Effective Date The Effective Date of this Assignment shall be the date that this Assignment is executed by Lessor.

File with: PACOIMA DIVERSION 27
Includes Parcels 28 through 36, 45, and 46
Affects Pacoima Wash Parcels 38, 55, 58 through 63, 78, and 275
M9322074

CONSENT OF LESSOR

Lessor hereby consents to and approves this Assignment and, pursuant to Article 23 of the Lease, hereby releases Assignor from all obligations and liabilities arising under the Lease after the Effective Date herein set forth.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment and Assumption of Lease as of _____, 2008.

"ASSIGNOR"

PLAINS EXPLORATION & PRODUCTION
COMPANY, a Delaware corporation

By James R. Rumsey

Its _____

(Corporate Seal)

"ASSIGNEE"

VINTAGE PRODUCTION CALIFORNIA LLC,
a Delaware corporation

By Rae E. [Signature]

Its Attorney-in-Fact

(Corporate Seal)

STATE OF Texas)

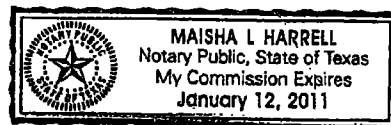
COUNTY OF Harris) SS

On Oct. 8, 2008 before me, Maisha L. Harrell, Notary Public, personally appeared James H. Bunsy, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Maisha L. Harrell (Seal)



STATE OF California)

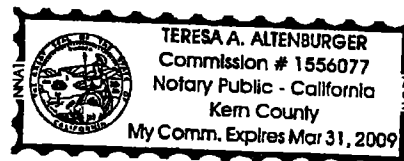
COUNTY OF Kern) SS

On October 15, 2008 before me, Teresa A. Altenburger, Notary Public, personally appeared Russell P. Ledbetter, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Teresa A. Altenburger (Seal)



"LESSOR"

**LOS ANGELES COUNTY FLOOD CONTROL
DISTRICT, a body corporate and politic**

By _____

**Chairman, Board of Supervisors
of the County of Los Angeles**

(LACFCD-SEAL)

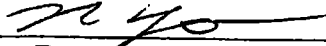
ATTEST:

**SACHI A. HAMAI, Executive Officer
of the Board of Supervisors
of the County of Los Angeles**

By _____
Deputy

APPROVED AS TO FORM

**RAYMOND G. FORTNER, JR.,
County Counsel**

By 
Deputy

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code that authorized the use of facsimile signatures of the Chairman of the Board on all papers, documents, or instruments requiring the Chair's signature.

The undersigned hereby certifies that on this _____ day of _____, 20____, the facsimile signature of _____, Chair of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, was affixed hereto as the official execution of this document. The undersigned further certifies that on this date a copy of the document was delivered to the Chairman of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.

SACHI A. HAMAI, Executive Officer

of the Board of Supervisors
of the County of Los Angeles

By _____
Deputy

(LACFCD-SEAL)

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.,
County Counsel

By *RM Fortner*
Deputy